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In this issue:

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The Kansas Economy

Economic Indicators

Institute for Economic and Business Research, The University of Kansas

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Consequences of Property Tax Equalization

Darwin W. Daicoff

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Present property tax administration violates the spirit, if not the letter, of the Kansas constitutional and statutory property tax provisions.

The Issue

In Kansas, as in most states, the property tax is primarily a local tax and the largest source of local public tax revenue. This is the case in spite of the well-known absence of a sound economic justification for the tax and the obvious inadequacies of its administration.[1] Indeed, attacks on the property tax have a long history. One of the most serious of these is currently in the Federal courts. A group of Kansas railroads have challenged the *administration* of the Kansas property tax. It is alleged that administrative practices have the effect of imposing a higher property tax rate on railroad property than on other types of property. A provision of the Federal Railroad Revitalization, Regulatory and Reform Act provides the legal basis for the challenge. Those who have studied the case agree that the railroads have an excellent chance of winning their case. The unequal taxes on railroads are not the result of unequally high tax rates being levied on the assessed value of railroad property. The inequality is the result of railroad property being assessed at a higher ratio, relative to its fair market value, than is the case for other property. Should the railroads prevail, their taxes would be reduced and, given that local government expenditures could not be reduced proportionally, taxes levied on other classes of property necessarily would be increased.

An example may clarify the railroad position. Consider two parcels of real property located in the same taxing jurisdiction, both having a fair market value of $100,000. If one parcel were assessed for tax purposes at the required Kansas statutory assessment ratio of 30 percent, it would have an assessed value of $30,000; if the other parcel had an assessment ratio of 8.0 percent, which was the 1979 average Kansas assessment ratio for locally assessed real estate, its assessed value would be $8,000. Applying the average rate of property tax in Kansas, which was $8.86 per hundred dollars of assessed valuation, would mean that the first parcel would pay a tax of $2,658 and that the second parcel would pay only $709. In terms of the fair market value of the property, the first parcel would be paying a rate of 2.7 percent and the second parcel a rate of .71 percent. This is unequal taxation and is the basis of the railroad case.

Kansas Law

Even though the current legal challenge to the operation of the Kansas property tax is based on a Federal statute, present property tax administration violates the spirit, if not the letter, of the Kansas constitutional and statutory property tax provisions. As do other states, Kansas has an uniformity provision in its Constitution: "... the legislature shall provide for a uniform and equal rate of assessment and taxation."[2] Available information clearly and unquestionably shows that the legislature has failed to conform to this requirement. The property tax is not levied on fair market value, which is clearly defined in the Kansas statutes and is a value to be determined by the assessor from annual actual view and inspection of the property, but on assessed value, which is statutorily defined as 30 percent of its uniformly and equally appraised fair market value. And yet, legal challenges to the operation of the Kansas property tax under state law have not been successful.

The Current Situation

Statutes require a considerable role for the state in the assessment of property. First, railroads, telegraph companies, pipeline companies, electric power companies, telephone companies, water plants, and radio common carriers are state assessed. Their statewide value is determined by the Division of Property Valuation, Kansas Department of Revenue, and is allocated to the state's taxing jurisdictions. Second, the Division prescribes guides for determining the fair market value of tangible personal property. Those who have examined the results of the state's role have concluded that, for state assessed and tangible personal property, the Division of Property Valuation conforms to Kansas law and assessed these properties at 30 percent of fair market value; while exactly 30 percent may not be achieved, the Division is acceptably close to that rate. Statutory attempts to deviate from this requirement have been struck down by the Kansas Supreme Court.

It is relative under-assessment of real estate at the local level which has created the nonuniform taxation. Annually, Kansas publishes a "Real Estate Assessment/Sales Ratio Study." Data from the "Study" provide

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information on the relative underassessment of locally assessed real estate. The following tabulation, from the "1979 Study," quantifies the magnitude of this deviation.

Property Class	Assessment Ratio (percent)
Urban Real Estate	
Residential	9.6
Multifamily	13.6
Commercial and Industrial	12.7
Vacant Lots	3.8
Total	10.1
Rural Real Estate	
Agricultural	6.7
Home Sites	7.3
Planned Subdivisions	9.8
Commercial and Industrial	10.7
Total	6.9
State Assessed	30.0
Tangible Personal Property	30.0
Total	13.6

For all taxable property, the assessment ratio is 13.6 percent. Rural real estate has the lowest assessment ratio among the four major property classes; the ratio for urban real estate is somewhat larger, 10.1 percent vs. 6.9 percent. Within the major property classes, there are very large differences. Consider the differences between the ratio for vacant lots, 3.8 percent, and multifamily residences, 13.6 percent. This discrepancy means that, in terms of fair market value, multifamily residences pay a tax rate 3.5 times larger than the rate applied to vacant lots. State assessed and tangible personal property pay a rate three times larger than single-family residences and 4.5 times larger than agricultural land.

Because local revenue needs differ between urban and rural areas of the state, property tax rates differ by location. For the 1979 levies, the following tabulation provides information on tax payments related to assessed valuation and fair market value for six property classes.

Real and tangible personal property in 1979 paid a tax rate of 8.86 percent of assessed valuation and 1.21 percent of market value. Rural property taxes were considerably lower than urban property taxes. Urban tangible personal property and urban state assessed paid the highest tax rate, about 3.3 percent of fair market value, and rural real estate paid the lowest rate, 0.53 percent.

Major Property Class	Tax Per $100 of Value	
	Assessed	Market
Urban Real Estate	$11.13	$1.12
Rural Real Estate	7.54	.53
Urban Tangible Personal Property	10.91	3.28
Rural Tangible Personal Property	6.53	1.96
Urban State Assessed	11.09	3.32
Rural State Assessed	6.42	1.93
Total Urban	11.06	1.54
Total Rural	6.89	.92
Total	8.86	1.21

Tax Consequences of Equalization

It should be recognized that while equalization of assessment levels between property classes would solve a major problem of the property tax, not all administrative problems would be eliminated. The entire equalization discussion is framed in terms of the variances in assessment ratios between classes of property. But, eliminating the interclass variance would do nothing toward eliminating any variance which may exist *within* the property classes. A clue about the magnitude of the variance between individual assessments is provided in the "Ratio Study." Of the 105 Kansas counties, a great majority (72 for urban real estate and 75 for rural real estate) had a 1979 coefficient of deviation for individual parcels (which is a measure of the variation of individual assessment/sales ratios) of taxable property of 41 and over. Within each detailed property class, high coefficients of deviation in each county, shown in the "Ratio Study," suggest a lack of uniformity among individual assessment and, consequently, very unequal taxation within property classes.

However, equalizing assessments between property classes would eliminate the over/under taxation for these classes of property. In the subsequent analysis, this equalization is carried out for classes of urban real estate, seven classes of rural real estate, urban tangible personal property, rural tangible personal property, urban state assessed property, and rural state assessed property.

In 1979, the general property tax levied on Kansas property totaled $889.6 million. After equalization, the amount of tax to be levied against each class of property can be calculated by (1) distributing the state and the county property tax levy, $205 million, according to the proportion of the state's total fair market value represented by each detailed property class and (2) distributing the remainder of the total collections (levied by cities, townships, school districts, and special districts)[3] first, by the proportion of the remainder levied on each of the six major property classes and, second, within each major property class, by the proportion of the major property class represented by the detailed property class. The resulting distribution of tax payment can be related to fair market value to calculate the tax rate which would apply to each property class. For urban property, the rate would be 1.46 percent; the rural tax rate would be 0.99 percent.

The percentage change in tax levies for the six major property classes as a result of equalization is shown below.

Property Class	Tax Change (percent)
Urban Real Estate	29.94
Rural Real Estate	87.68
Urban Tangible Personal Property	– 55.49
Rural Tangible Personal Property	– 49.71
Urban State Assessed	– 64.30
Rural State Assessed	– 48.81
Total Urban	– 4.99
Total Rural	7.14
Total	--

Because the methodology employed in this analysis assumes that total property tax collections are unaffected by equalization, the taxes paid for the total of all property does not change. Due to the fact that the state and county levies apply proportionally to all taxable property values in each county and that rural property is currently underassessed, the taxes rise a little

on rural and falls a bit on urban property. State assessed and tangible personal property taxes fall substantially, between 50 and 64 percent. Rural real estate taxes rise by a very large amount, 88 percent, and urban real estate taxes rise more moderately by 30 percent.

While the computed tax changes due to equalization in the six major property classes is of interest, more detailed information would be more valuable. Calculated tax changes for detailed subclasses of real estate are as follows.

Property Class	Tax Change (percent)
Urban Real Estate	
Residential	37.49
Multifamily	– 3.33
Commercial	4.59
Industrial	– 8.10
Vacant Lots	241.52
Rural Real Estate	
Agricultural	96.12
Home Sites	79.83
Planned Subdivisions	33.70
Commercial and Industrial	21.75

These tax changes are more striking than the changes for the major property classes. While the average urban real estate tax would rise by 30 percent, the tax on industrial real estate and multifamily residences would decline. The property tax levied on single-family residences would increase by 37 percent and on vacant lots by a whopping 242 percent. For rural real estate, where the tax rise would average 88 percent, the range of increase would be from 22 percent for commercial and industrial real estate to 96 percent for agricultural real estate. The winners in the equalization game would be owners of tangible personal property, state assessed property, urban industrial real estate, and multifamily residences. All the remaining property owners would be losers. The largest losers would be owners of vacant city lots, agricultural land and improvements, rural home sites, and urban single-family residences.

Solutions

There is an adage in tax analysis which states: "Old taxes are good taxes." This means that good taxes are those taxes which have existed long enough for the economy to adjust to them. New taxes or major modifications to existing taxes would require producers and consumers to adjust. This adjustment is difficult and, hence, something to avoid. The magnitude of tax changes which would result from assessment equalization would be substantial and cause major adjustments; in this sense, equalization should not be undertaken unless it cannot be avoided.

The magnitude of tax changes which would result from assessment equalization would be substantial and cause major adjustments.

One solution to the current court case would be to accept the fact that railroads are being overtaxed and reduce the tax *only* on this property. This resolution would mean that other state assessed and personal property would continue to be overtaxed. However, a sound justification of such a procedure cannot be offered. An alternative to this minimum solution would be to recognize the facts of unequal taxation and the requirement for uniformity by moving slowly to equalize assessments. By equalizing over a period of five or ten years, the difficulties of adjustment would be eased.

Another way by which the consequences of equalization could be accomplished, without setting off serious dislocations in the economy, would be to reduce the total amount of revenue raised by the property tax. Increases in state aid to local units of government (such as increases in state aid to local school districts, financed by sales and/or income taxes) or increased use of local nonproperty tax revenues (such as local sales and earnings taxes) would reduce total property tax levies. Coupled with gradual reassessment, this solution could minimize the property tax increase which would apply to most property classes and may well produce an improvement in the overall quality of the state's tax structure.

Another solution, which has received considerable political support, is to amend the Constitution by removing the uniformity clause and, thereby, permitting property tax classifications, which would result in different assessment ratios on different kinds of property. Under this solution, existing assessment practices would be made lawful. However, there is nothing in this solution which would guaranteed that, as inflation affects different property classes differently, the problem will not reappear.

Few tax specialists would argue for classification—except for current practice, there is little justification for any particular classification scheme. One alternative approach would be to try to relate property tax payments to public benefits received by each class of property; another would be to attempt to minimize geographic adjustments by levying low taxes if high taxes would drive the economic activity away from the state and by levying high taxes on particular classes of property if such taxes would not cause a change in the geographic location of the taxed economic activity. However, both approaches would be very difficult to implement.

In conclusion, unequal taxation is the fact in Kansas today. Equalization may be required as a result of a current legal challenge; indeed, it *is* required under the spirit of existing Kansas law. The magnitude of the property tax changes which would follow from equalizing property tax assessment ratios is very sizable. Short of amending the State Constitution and simply eliminating the need for equalization, the solution which entails the least difficulty appears to be phased-in equalization of assessments coupled with increased state aid and increased use of local nonproperty taxes.

Unequal taxation is the fact in Kansas today.

Footnotes

1. See Dick Netzer, *Economics of the Property Tax* (Washington, D.C.: The Brookings Institution, 1966); Richard A. Musgrave and Peggy B. Musgrave, *Public Finance in Theory and Practice* (3rd ed.; New York: McGraw-Hill Book Company, 1980) Ch. 21; or John F. Due and Ann F. Freidland, *Government Finance* (6th ed.; Richard D. Irvin, Inc., 1977) Ch. 16.

2. Article II, Section 1 of the *Kansas Constitution.*

3. For a few counties, school district boundaries and county boundaries coincide. But, because this is not universal, school district levies are distributed by the described procedure.

The Kansas Economy

General Business

The last quarter of 1980 witnessed continued fluctuation in the economy, leaving businesses uncertain as to what direction to take in their planning. Many businesses put off some investing as they watched the prime interest rate climb to 21.5 percent before beginning to recede. Third quarter investment was off 13.4 percent from the second quarter and 10.6 percent from 1979 third quarter. Some banks across the country reported offering lower-than-prime interest rates to their small business customers because the banks' lending had dropped so drastically.

The November presidential election brought an initial optimistic attitude to the stock market, but the boom tapered off as investors indulged in some profit-taking after stock prices had climbed.

The national economy nonetheless was expanding through November, and real GNP was estimated to have grown at a 2.0 percent to 3.0 percent annual rate as compared with the third quarter's 0.9 percent growth. A slowdown is considered inevitable, however, because industrial output expanded from July to November, but markets weren't growing fast enough to absorb it.

Some analysts contend that the trough of the recession was in July, before this burst in industrial output. If this were the case, the 1980 recession would have been the shortest since World War II. Although the recession was as deep and as widespread as past recessions if July had been the trough, subsequent figures indicate the recession probably was a "double dip." That is, the economy showed an upturn after July not because the recession was over but because the economy was returning to where it would have been had not the Fed previously taken such stringent money-supply tightening measures. Consequently, data to come regarding the fourth quarter probably will show once again a slowdown in the rate of economic growth, at least in part because of the economy's inability to accommodate the July-November flurry of production.

Consumer spending, meanwhile, in the fourth quarter was 1.0 percent below its 1980 peak. The prices consumers have been paying have continued to rise, as inflation continued unabated at an estimated 13.5 percent rate. While U.S. housing starts in October were up slightly to a 1.55 million units annual rate, permits for new construction plunged as mortgage interest rates continued to be high. Auto sales, which were off a record-setting 44.6 percent from January to July, increased with the introduction of 1981 models. Their sales were receding, however, in December.

The latest figures for Kansas reveal a mixed picture that may indicate some sort of renewed slowdown, with manufacturing declining in October from its September levels. The average work week in October declined 1.0 percent, from 41.3 hours per week in September to 40.9 hours per week. The work week bounced back in November, however, and was up to 41.0 hours per week, a 0.2 percent increase over October and an increase of 0.3 hours per week over the 1979 average. Initial claims for unemployment moved in line with the work week. As the work week declined in October, initial claims rose. And the number of claims likewise declined as the work week grew in November. These figures also were an improvement over the previous six months and over 1979. Wages for Kansas workers, meanwhile, have progressively increased, rising in October even as the work week declined. November wages continued the trend, up 1.4 percent over October. These increases, however, have paralleled inflation.

Employment

The percent change in employment in Kansas from October 1979 to October 1980 and from November 1979 to November 1980 reflects a continuing slight downward trend. Manufacturing employment in durable goods has dropped significantly since 1979, while nondurable goods industries were less affected but still showed a decline. The construction industry was the other sector to show a significant decline in employment for this time period, reflecting this sector's inability to remain insulated from national business cycles. While construction employment in November was lower than in October, the extent of the deficit as compared with 1979 was less. The only sector to show a significant increase in employment over 1979 levels was mining, particularly gas and oil extraction. Other industrial sectors remained relatively stable, with some slight increases recorded.

The industrial structure in Kansas, with large concentrations of employment in nonmanufacturing industries, such as trade, services, and government, is responsible for the small overall downward movement in employment levels as compared with national employment.

While October 1980 employment for most industries remained down from 1979, increases over September 1980 were recorded in most classifications, and these increases carried over into November. The transportation equipment industries, including aircraft, showed a fairly strong rise in October and continued upward in November. The recent increase in employment in

durable goods industries could be a signal that Kansas is pulling out of the recession that has plagued the nation for much of 1980. Durable goods manufacturing usually is among the first industries to decline at a recession's start and to improve after a recession. On the other hand, as noted earlier, some observers view October's apparent comeback merely as a lull in a worsening economic storm, and news from national data lends credence to this attitude. Apparel manufacturing in Kansas, meanwhile, receded 10.3 percent from October to November.

Regional Employment

Reno County in October and November continued to suffer the worst unemployment in the state, with its 6.2 percent and 6.1 percent unemployment rates as compared with runner-up Topeka's 5.2 percent and 5.0 percent unemployment for October and November, respectively.

Although the number of unemployed workers in Reno County declined from September to October and on into November, so did the number of employed workers. The unemployment rate for the state, meanwhile, declined from September to October and remained steady at 3.9 percent in November. It must be noted that statewide the number employed, as well as unemployed, has continued to decline, possibly indicating that people have become discouraged and have left the work force or are leaving the state to seek employment elsewhere.

Showing improvements in the unemployment rate from October to November were the Topeka SMSA, Barton County, Montgomery County, and Reno County. Several other areas reversed their downward trend of September to October and showed a rising unemployment rate into November. Recording increased unemployment rates in November were Lawrence SMSA, Crawford County, Lyon County, Riley County, and Saline County.

Despite the decline from September to October and November, the size of the labor force remained up slightly from 1979 levels.

Financial Activity

Banking activity statewide has been improving, with increases recorded in loans, demand deposits, and time and savings deposits. These increases are a positive sign for prospects of an improved state economy. Banks have suffered losses of loan activity because of high interest rates and tighter money, but the most recent figures show a rebound, including time and savings deposits, which were up 9.5 percent over 1979.

The loan-to-deposit ratios still reflect the tight money-supply situation, with 1980 levels statewide showing a reduction of about 5.0 percent from last year. November's ratio, however, did show a small (0.2 percent) increase over the October level. The Topeka banks were exceptional with their ratio up over last year to 63.0 percent.

The ratio for Federal Reserve member banks is somewhat higher than the average for all state banks. Kansas City banks showed the highest ratio of member banks at 62.1 percent.

The savings and loan associations showed a promising increase in new savings in November of 39.1 percent greater than in October and 453.7 percent greater than in November 1979. While the amount of mortgage loans made in November failed to maintain September's and October's pace, the loans made were still 5.5 percent above the levels of a year ago.

Farm Prices

Farm prices in Kansas headed upward in October and November, and the rises should continue as world grain consumption is expected to exceed production for the 1980-81 marketing year. U.S. feed grain stocks are expected to shrink 50 percent as a result of the strong export market.

Kansas farmers with crops to sell after last summer's drought drew higher prices. Hay again showed a staggering price boost in October, after being hit hard in last summer's drought. Hay in October was selling for $70.50 a ton, an 11.9 percent increase just since September and a 50.0 percent increase over October 1979. Hay prices in November rose an additional 1.4 percent over October, to $71.50 a ton. A decline in hay production also caused many farmers to retain what they had harvested for use on their own farms, further reducing the supply to market and further bolstering prices.

Farmers also were receiving sizably higher prices for their other field crops as compared with 1979. Sorghum, at $5.54 a hundredweight, was commanding a 42.4 percent higher price than in November 1979 and was up 5.1 percent over October. Similarly, soybeans were up 41.8 percent in November over a year ago to $8.31 a bushel, and corn was up 38.1 percent to $3.41 a bushel. For the month of November, sorghum was the biggest gainer, and in October the 5.3 percent rise in wheat prices led. Otherwise, monthly price increases were modest in November and in October.

Livestock farmers' results were mixed. While October hogs were up 1.5 percent since September and 34.6 percent over 1979, they fell back 3.2 percent in November to stay 30.6 percent ahead of 1979 prices. Prices for sheep, meanwhile, in October plummeted 26.9 percent from September and, despite an 11.6 percent rebound in November, were 51.8 percent below November 1979 prices. Prices for all other livestock were down from October and from last year. Such declines are particularly perilous for the livestock farmer, as feed prices continue to rise. Soybean meal in October was up 7.4 percent over September and 16 percent over October 1979. It was up another 6.9 percent in November to bring it 29.2 percent higher than November 1979 meal. Prices for laying feed, hog concentrate, and dairy feed also were up more than 20 percent above 1979 levels. Only bran, which rose 3.6 percent from October to November and 6.2 percent from 1979 to 1980, showed but a modest increase.

Consumer Prices

The Kansas City consumer price index for the two-month period ending with October 1980 shows an increase of 1.6 percent in prices for all items. All major items increased in price during this period within a range of 3.6 percent for apparel and upkeep to 0.3 percent for entertainment. The apparel and upkeep increase represents the second consecutive rise in this category and appears to confirm the trend suggested four months ago that, after a long period of relative stability, these prices are no longer immune to the overall inflationary pressures in the economy. The 1.7 percent increase in housing prices signals, perhaps, the return to accelerated costs in this category after a two-month break.

Over the year, prices in Kansas City for all items rose 10.8 percent. Excepting the 5.2 percent increase for apparel and upkeep, all increases were double digit, with transportation prices the highest at 13.8 percent and housing the lowest at 10.2 percent.

TABLE I
GENERAL BUSINESS INDICATORS

	Oct. 1980	Sept. 1980	% change	Avg. Prior 6 mos.	Annual Avg. 1979
Manufacturing					
Average Work Week (hrs.)	40.90	41.30	– 1.0	40.00	40.70
Average Weekly Earnings (dollars)	310.84	308.92	0.6	293.23	240.99
Initial Claims for					
Unemployment Insurance	10,376.00	9,428.00	10.1	15,150.00	8,082.00
New Incorporations					
In-State For Profit	432.00	349.00	23.8	423.00	336.00
Out-of-State For Profit	130.00	110.00	18.2	92.00	88.00

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

Kansas Secretary of State

TABLE II
NON-FARM WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

(thousands)

Industry	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change
All Industries	953.2	949.6	0.4	959.4	– 0.6
Manufacturing	182.3	181.5	0.4	197.3	– 7.6
Durable Goods	118.6	117.8	0.7	131.0	– 9.5
Stone, Clay, Glass	8.6	8.6	0.0	9.5	– 9.5
Primary Metals	3.7	3.8	– 2.6	4.3	– 14.0
Fabricated Metal Products	11.3	11.2	0.9	14.1	– 19.9
Machinery (incl. elec.)	33.2	33.5	– 0.9	38.2	– 13.1
Transportation Equipment	49.9	49.0	1.8	52.4	– 4.8
Aircraft & Parts	43.0	42.3	1.7	45.0	– 4.4
Other Durable Goods	11.9	11.7	1.7	12.5	– 4.8
Nondurable Goods	63.7	63.7	0.0	66.3	– 3.9
Food & Kindred Products	22.6	22.3	1.3	23.3	– 3.0
Meat Products	8.3	8.3	0.0	9.2	– 9.8
Apparel	3.6	3.7	– 2.7	3.7	– 2.7
Printing & Publishing	15.7	15.9	– 1.3	15.8	– 0.6
Chemicals	8.6	8.7	– 1.1	8.6	0.0
Petroleum & Coal	4.4	4.4	0.0	4.5	– 2.2
Other Nondurable	8.8	8.7	1.1	10.4	– 15.4
Mining	15.2	15.1	0.7	14.2	7.0
Oil & Gas Extraction	12.9	12.9	0.0	11.8	9.3
Contract Construction	49.4	50.5	– 2.2	55.7	– 11.3
Trans., Comm., Elec., Gas	65.2	65.2	0.0	66.6	– 2.1
Wholesale Trade	65.7	65.4	0.5	64.1	2.5
Retail Trade	164.3	163.3	0.6	164.1	0.1
Finance, Insurance, Real Estate	46.5	46.5	0.0	46.2	0.6
Services	175.5	175.8	– 0.2	168.3	4.3
Federal Government	27.0	27.5	– 1.8	26.4	2.3
State & Local Government	162.1	158.8	2.1	156.5	3.6

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

TABLE III
EMPLOYMENT—UNEMPLOYMENT DATA FOR KANSAS, STATE AND AREAS

Area	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change
Kansas—Statewide					
Civilian Labor Force	1,224,100	1,224,500	– 0.0	1,218,900	0.4
Employed	1,176,000	1,175,400	0.1	1,186,500	– 0.9
Farm	66,700	71,000	– 6.1	68,300	– 2.3
Non-Farm	1,109,300	1,104,400	0.4	1,118,200	– 0.8
Unemployed	48,100	49,100	– 2.0	32,400	48.5
Rate	3.9%	4.0%		2.7%	
Lawrence SMSA					
Civilian Labor Force	36,400	36,500	– 0.3	34,800	4.6
Employed	35,000	35,000	0.0	33,800	3.6
Farm	900	900	0.0	900	0.0
Non-Farm	34,100	34,100	0.0	32,900	3.6
Unemployed	1,400	1,500	– 6.7	1,000	40.0
Rate	3.8%	4.1%		2.9%	
Kansas Portion of Kansas City SMSA					
Civilian Labor Force	272,700	272,800	– 0.0	266,700	2.2
Employed	260,700	260,300	0.2	257,300	1.3
Farm	1,500	1,600	– 6.3	1,500	0.0
Non-Farm	259,200	258,700	0.2	255,800	1.3
Unemployed	12,100	12,500	– 3.3	9,400	28.72
Rate	4.4%	4.6%		3.5%	
Topeka SMSA					
Civilian Labor Force	96,300	96,000	0.3	95,100	1.3
Employed	91,300	91,000	0.3	91,700	– 0.4
Farm	2,000	2,100	– 4.8	2,000	0.0
Non-Farm	89,300	88,900	0.4	89,700	– 0.4
Unemployed	5,000	5,000	0.0	3,400	47.1
Rate	5.2%	5.2%		3.6%	
Wichita SMSA					
Civilian Labor Force	227,300	227,000	0.1	226,400	0.4
Employed	219,100	218,500	0.3	220,700	– 0.7
Farm	2,700	2,900	– 6.9	2,700	0.0
Non-Farm	216,400	215,600	0.4	218,000	– 0.7
Unemployed	8,200	8,500	– 3.5	5,700	43.9
Rate	3.6%	3.7%		2.5%	
Barton Co.—Great Bend Area					
Civilian Labor Force	18,025	17,850	1.0	17,950	0.4
Employed	17,625	17,400	1.3	17,550	0.4
Farm	975	1,050	– 7.1	1,000	– 2.5
Non-Farm	16,650	16,350	1.8	16,550	0.6
Unemployed	400	450	– 11.1	400	0.0
Rate	2.2%	2.5%		2.2%	

TABLE III
EMPLOYMENT—UNEMPLOYMENT DATA FOR KANSAS, STATE AND AREAS (Continued)

Area	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change
Crawford Co.—Pittsburg Area					
Civilian Labor Force	16,950	16,900	0.3	16,900	0.3
Employed	16,150	16,075	0.5	16,375	– 1.4
Farm	875	950	– 7.9	900	– 2.8
Non-Farm	15,275	15,125	1.0	15,475	– 1.3
Unemployed	800	825	– 3.0	525	52.4
Rate	4.7%	4.9%		3.1%	
Lyon Co.—Emporia Area					
Civilian Labor Force	17,925	17,750	1.0	18,025	– 0.6
Employed	17,250	17,100	0.9	17,625	– 2.1
Farm	875	925	– 5.4	900	– 2.8
Non-Farm	16,375	16,175	1.2	16,875	– 3.0
Unemployed	675	650	3.8	375	80.0
Rate	3.8%	3.7%		2.1%	
Montgomery Co.—Coffeyville Area					
Civilian Labor Force	20,900	21,150	– 1.2	21,600	– 3.2
Employed	19,950	20,200	– 1.2	21,100	– 5.5
Farm	625	675	– 7.4	650	– 3.8
Non-Farm	19,325	19,525	– 1.0	20,450	– 5.5
Unemployed	950	950	0.0	500	90.0
Rate	4.5%	4.5%		2.3%	
Reno Co.—Hutchinson Area					
Civilian Labor Force	30,700	33,225	– 7.6	32,275	– 4.9
Employed	28,800	31,225	– 7.8	31,600	– 8.9
Farm	1,400	1,500	– 6.7	1,650	– 15.2
Non-Farm	27,400	29,725	– 7.8	30,175	– 9.2
Unemployed	1,900	2,000	– 5.0	675	181.5
Rate	6.2%	6.0%		2.1%	
Riley Co.—Manhattan Area					
Civilian Labor Force	22,175	22,050	0.6	22,300	– 0.6
Employed	21,400	21,250	0.7	21,725	– 1.5
Farm	1,100	1,175	– 6.4	1,150	– 4.3
Non-Farm	20,300	20,075	1.1	20,575	– 1.3
Unemployed	775	800	– 3.1	575	34.8
Rate	3.5%	3.6%		2.6%	
Saline Co.—Salina Area					
Civilian Labor Force	26,300	26,325	– 0.1	26,250	0.2
Employed	25,100	25,075	0.1	25,600	– 2.0
Farm	750	775	– 3.2	750	0.0
Non-Farm	24,350	24,300	0.2	24,850	– 2.0
Unemployed	1,200	1,250	– 4.0	650	84.6
Rate	4.6%	4.7%		2.5%	

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

TABLE IV
RETAIL SALES SUBJECT TO SALES TAX BY BUSINESS CLASSIFICATION

(not available)

TABLE V
RETAIL SALES SUBJECT TO SALES TAX BY COUNTY

(not available)

TABLE VI
PRICES RECEIVED BY KANSAS FARMERS
(dollars)

Items	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change	Annual Avg. 1979
Prices Received by Farmers						
Field Crops						
Wheat (bu.)	4.14	3.93	5.3	3.91	5.9	3.49
Corn (bu.)	3.27	3.22	1.6	2.52	29.8	2.48
Sorghum (cwt.)	5.27	5.14	2.5	3.84	37.2	3.75
Hay (ton)	70.50	63.00	11.9	47.00	50.0	50.17
Soybeans (bu.)	8.00	7.86	1.8	5.97	34.0	6.72
Livestock & Products						
Beef Cattle (cwt.)	63.00	64.90	– 2.9	65.60	– 4.0	67.82
Calves (cwt.)	75.80	73.90	2.6	83.60	– 9.3	87.14
Hogs (cwt.)	46.30	45.60	1.5	34.40	34.6	41.83
Lambs (cwt.)	66.10	65.40	1.1	64.60	2.3	66.18
Sheep (cwt.)	14.70	20.10	– 26.9	21.30	– 31.0	21.15
Milk (cwt.)	13.70	13.20	3.8	12.80	7.0	12.24
Prices Paid by Farmers						
Soybean Meal (cwt.)	14.50	13.50	7.4	12.50	16.0	12.33
Bran (cwt.)	8.30	8.30	0.0	7.70	7.8	7.55
Beef Conc. (cwt.)	11.00	11.00	0.0	9.90	11.1	9.61
16% Dairy Feed (ton)	191.00	193.00	– 1.0	162.00	17.9	154.50
Hog Conc. (cwt.)	16.20	15.60	3.8	14.00	15.7	13.83
Laying Feed (ton)	225.00	220.00	2.3	187.00	20.3	180.75

Source: Kansas Crop and Livestock Reporting Service
Kansas State Board of Agriculture

U.S. Department of Agriculture

TABLE VII
COMMERCIAL BANKING ACTIVITY FOR ALL BANKS
(millions of dollars)

	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change
Kansas—Statewide					
Loans	8,046	7,882	2.1	8,176	– 1.6
Demand Deposits	4,678	4,084	14.5	4,559	2.6
Time & Saving Deposits	9,324	9,180	1.6	8,513	9.5
Loan-to-Deposit Ratio	57.5%	59.4%		62.5%	
Kansas City (Wyandotte)					
Loans	507	510	– 0.6	568	– 10.7
Demand Deposits	297	252	17.9	270	10.0
Time & Saving Deposits	580	583	– 0.5	588	– 1.4
Loan-to-Deposit Ratio	57.8%	61.1%		66.2%	
Topeka (Shawnee)					
Loans	488	483	1.0	514	– 5.1
Demand Deposits	312	271	15.1	344	– 9.3
Time & Saving Deposits	480	484	– 0.8	577	– 16.8
Loan-to-Deposit Ratio	61.6%	64.0%		55.8%	
Wichita (Sedgwick)					
Loans	1,210	1,182	2.3	1,235	– 2.0
Demand Deposits	972	849	14.5	900	8.0
Time & Saving Deposits	1,242	1,249	– 0.5	1,098	13.1
Loan-to-Deposit Ratio	11.0%	56.3%		61.8%	

Source: Research Department
Federal Reserve Bank of Kansas City

Institute for Economic and Business Research

TABLE VII-I
COMMERCIAL BANKING ACTIVITY FOR MEMBER BANKS

(millions of dollars)

	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change
Kansas—Statewide					
Loans	3,531	3,518	0.4	3,595	– 1.8
Demand Deposits	2,091	2,069	1.1	2,038	2.6
Time & Saving Deposits	3,943	3,967	– 0.6	3,600	9.5
Loan-to-Deposit Ratio	58.5%	58.3%		63.8%	
Kansas City (Wyandotte)					
Loans	198	198	0.0	222	– 10.8
Demand Deposits	117	117	0.0	109	7.3
Time & Saving Deposits	204	207	– 1.4	206	– 1.0
Loan-to-Deposit Ratio	61.7%	61.1%		70.5%	
Topeka (Shawnee)					
Loans	258	265	– 2.6	271	– 4.8
Demand Deposits	179	177	1.1	197	– 9.1
Time & Saving Deposits	246	259	– 5.0	288	– 14.6
Loan-to-Deposit Ratio	60.7%	60.8%		55.9%	
Wichita (Sedgwick)					
Loans	685	673	1.8	699	– 2.0
Demand Deposits	531	524	1.3	491	8.1
Time & Saving Deposits	602	605	– 0.5	532	13.2
Loan-to-Deposit Ratio	60.5%	59.6%		68.3%	

Source: Research Department
Federal Reserve Bank of Kansas City
Institute For Economic and Business Research

TABLE VIII
SAVINGS AND LOAN ACTIVITY

(thousands of dollars)

	Oct. 1980	Sept. 1980	% change	Oct. 1979	% change
Net New Savings	21,500	1,100	1,854.6	20,200	6.4
Mortgage Loans Made	118,900	119,000	– 0.1	106,100	12.1

Source: Federal Home Loan Bank of Topeka

TABLE IX
CONSUMER PRICES

Kansas City

Consumer Price Index, October, 1980

	All Urban Consumers (CPI-U)			Wage Earners and Clerical Workers (CPI-W)		
		Percent change from			Percent change from	
	INDEX 1967 = 100	2 months ago	1 year ago	INDEX 1967 = 100	2 months ago	1 year ago
ALL ITEMS	254.8	1.6	10.8	253.0	1.5	11.0
Food and Beverages	259.9	1.6	10.3	256.9	2.1	11.5
Food	266.6	1.7	10.6	263.6	2.3	11.8
Food at home	262.6	2.0	12.4	260.0	2.1	13.3
Cereals & bakery products	273.0	3.7	17.7	264.8	3.0	13.9
Meats, poultry, fish & eggs	244.4	2.4	10.2	246.8	2.7	11.3
Dairy products	238.2	1.6	8.6	238.8	1.7	9.2
Fruits and vegetables	267.5	-0.7	13.6	255.0	-0.3	16.3
Other foods at home	307.1	2.6	13.6	305.0	2.3	15.9
Food away from home	281.1	0.9	7.0	276.9	2.7	8.5
Alcoholic beverages	195.0	-0.4	5.1	193.6	0.3	7.7
Housing	271.5	1.7	10.2	268.0	1.4	9.9
Shelter	300.2	3.4	9.7	296.5	3.3	9.2
Rent (residential)	164.7	0.7	7.6	164.7	0.7	7.6
Other rental costs	236.9	NA	7.7	240.9	NA	8.2
Homeownership	349.2	3.8	10.1	344.2	3.7	9.5
Fuel & other utilities	254.8	-6.0	12.4	256.9	-6.0	12.7
Fuels	334.7	-8.3	16.0	336.8	-8.2	16.1
Fuel oil, coal, & bottled gas*	167.5	0.3	18.1	177.5	0.3	20.6
Gas (piped) & electricity	332.8	-8.8	15.8	332.7	-8.8	15.8
Household furnishings & oper	205.9	1.1	10.6	201.6	1.1	10.0
Apparel & Upkeep	192.4	3.6	5.2	183.8	3.7	5.5
Men's & boys' apparel	203.6	6.2	3.8	203.6	5.3	4.6
Women's & girls' apparel	178.0	0.2	5.9	150.8	3.4	0.5
Footwear	194.2	1.6	-2.5	209.4	2.3	7.4
Transportation	248.9	0.7	13.8	250.2	0.8	13.7
Private transportation	250.5	0.6	13.3	252.2	0.7	13.5
Public transportation	214.0	3.4	25.4	207.0	3.0	22.2
Medical Care	269.1	2.2	11.9	273.3	2.0	13.0
Medical care services	292.5	2.7	12.5	297.0	2.3	13.1
Entertainment	198.5	0.3	12.8	205.3	-0.8	12.1
Other Goods & Services	224.6	2.7	9.9	229.4	2.0	10.1
ALL ITEMS (1957-59 = 100)	302.4			300.3		

* June 1978 = 100

TABLE I
GENERAL BUSINESS INDICATORS

	Nov. 1980	Oct. 1980	% change	Avg. Prior 6 mos.	Annual Avg. 1979
Manufacturing					
Average Work Week (hrs.)	41.00	40.90	0.2	40.30	40.70
Average Weekly Earnings (dollars)	315.29	310.84	1.4	297.95	240.99
Initial Claims for					
Unemployment Insurance	9,676.00	10,376.00	– 6.7	13,895.00	8,082.00
New Incorporations					
In-State For Profit	325.00	432.00	– 24.8	437.00	336.00
Out-of-State For Profit	102.00	130.00	– 21.5	99.00	88.00

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

Kansas Secretary of State

TABLE II
NON-FARM WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK
(thousands)

Industry	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change
All Industries	957.2	953.1	0.4	964.1	– 0.7
Manufacturing	183.0	182.2	0.4	201.8	– 9.3
Durable Goods	119.8	118.6	1.0	135.1	– 11.3
Stone, Clay, Glass	8.7	8.6	1.2	9.4	– 7.4
Primary Metals	3.7	3.8	– 2.6	4.4	– 15.9
Fabricated Metal Products	11.3	11.2	0.9	13.9	– 18.7
Machinery (incl. elec.)	33.5	33.2	0.9	38.2	– 12.3
Transportation Equipment	50.6	49.9	1.4	56.8	– 10.9
Aircraft & Parts	43.6	43.0	1.4	46.3	– 5.8
Other Durable Goods	12.0	11.9	0.8	12.5	– 4.0
Nondurable Goods	63.2	63.6	– 0.6	66.7	– 5.2
Food & Kindred Products	22.5	22.6	– 0.4	23.2	– 3.0
Meat Products	8.5	8.3	2.4	9.3	– 8.6
Apparel	3.5	3.9	– 10.3	3.7	– 5.4
Printing & Publishing	15.9	15.7	1.3	16.5	– 3.6
Chemicals	8.3	8.6	– 3.5	8.6	– 3.5
Petroleum & Coal	4.4	4.4	0.0	4.5	– 2.2
Other Nondurable	8.6	8.7	– 1.1	10.2	– 15.7
Mining	15.1	15.1	0.0	14.3	5.6
Oil & Gas Extraction	12.9	12.9	0.0	11.9	8.4
Contract Construction	48.3	49.5	– 2.4	53.1	– 9.0
Trans., Comm., Elec., Gas	65.4	65.4	0.0	66.5	– 1.7
Wholesale Trade	65.2	65.7	– 0.8	63.8	2.2
Retail Trade	167.1	163.9	2.0	166.3	0.5
Finance, Insurance, Real Estate	46.3	46.5	– 0.4	46.2	0.2
Services	175.6	175.6	0.0	168.0	4.5
Federal Government	27.2	27.0	0.7	26.5	2.6
State & Local Government	164.0	162.2	1.1	157.6	4.1

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

TABLE III
EMPLOYMENT—UNEMPLOYMENT DATA FOR KANSAS, STATE AND AREAS

Area	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change
Kansas—Statewide					
Civilian Labor Force	1,214,700	1,224,100	– 0.8	1,208,800	0.5
Employed	1,166,800	1,176,000	– 0.8	1,177,300	– 0.9
Farm	54,700	66,700	– 18.0	56,000	– 2.3
Non-Farm	1,112,100	1,109,300	0.3	1,121,300	– 0.8
Unemployed	47,900	48,100	– 0.4	31,500	52.1
Rate	3.9%	3.9%		2.6%	
Lawrence SMSA					
Civilian Labor Force	35,800	36,400	– 1.6	34,600	3.5
Employed	34,300	35,000	– 2.0	33,700	1.8
Farm	700	900	– 22.2	700	0.0
Non-Farm	33,600	34,100	– 1.5	33,000	1.8
Unemployed	1,500	1,400	7.1	900	66.7
Rate	4.2%	3.8%		2.6%	
Kansas Portion of Kansas City SMSA					
Civilian Labor Force	271,900	272,700	– 0.3	271,100	0.3
Employed	259,900	260,700	– 0.3	262,100	– 0.8
Farm	1,200	1,500	– 20.0	1,200	0.0
Non-Farm	258,700	259,200	– 0.2	260,900	– 0.8
Unemployed	12,000	12,000	0.0	9,000	33.3
Rate	4.4%	4.4%		3.3%	
Topeka SMSA					
Civilian Labor Force	95,800	96,300	– 0.5	94,100	1.8
Employed	91,000	91,300	– 0.3	90,900	0.1
Farm	1,600	2,000	– 20.0	1,600	0.0
Non-Farm	89,400	89,300	0.1	89,300	0.1
Unemployed	4,800	5,000	– 4.0	3,200	50.0
Rate	5.0%	5.2%		3.4%	
Wichita SMSA					
Civilian Labor Force	228,400	227,300	0.5	227,000	0.6
Employed	220,000	219,100	0.4	222,000	– 0.9
Farm	2,200	2,700	– 18.5	2,300	– 4.3
Non-Farm	217,800	216,400	0.6	219,700	– 0.9
Unemployed	8,400	8,200	2.4	5,000	68.0
Rate	3.7%	3.6%		2.2%	
Barton Co.—Great Bend Area					
Civilian Labor Force	17,925	18,025	– 0.6	17,875	0.3
Employed	17,575	17,625	– 0.3	17,525	0.3
Farm	800	975	– 17.9	825	– 3.0
Non-Farm	16,775	16,650	0.8	16,700	0.4
Unemployed	350	400	– 12.5	350	0.0
Rate	2.0%	2.2%		2.0%	
Crawford Co.—Pittsburg Area					
Civilian Labor Force	16,800	16,950	– 0.9	16,725	0.4
Employed	15,975	16,150	– 1.1	16,150	– 1.1
Farm	725	875	– 17.1	750	– 3.3
Non-Farm	15,250	15,275	– 0.2	15,400	– 1.0
Unemployed	825	800	3.1	575	43.5
Rate	4.9%	4.7%		3.4%	

TABLE III
EMPLOYMENT—UNEMPLOYMENT DATA FOR KANSAS, STATE AND AREAS (Continued)

Area	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change
Lyon Co.—Emporia Area					
Civilian Labor Force	17,875	17,925	– 0.3	17,850	0.1
Employed	17,100	17,250	– 0.9	17,475	– 2.1
Farm	725	875	– 17.1	725	0.0
Non-Farm	16,375	16,375	0.0	16,750	– 2.2
Unemployed	775	675	14.8	375	106.7
Rate	4.3%	3.8%		2.1%	
Montgomery Co.—Coffeyville Area					
Civilian Labor Force	20,825	20,900	– 0.4	21,275	– 2.1
Employed	19,975	19,950	0.1	20,725	– 3.6
Farm	525	625	– 16.0	525	0.0
Non-Farm	19,450	19,325	0.6	20,200	– 3.7
Unemployed	850	950	– 10.5	550	54.5
Rate	4.1%	4.5%		2.6%	
Reno Co.—Hutchinson Area					
Civilian Labor Force	30,600	30,700	– 0.3	31,900	– 4.1
Employed	28,725	28,800	– 0.3	31,200	– 7.9
Farm	1,150	1,400	– 17.9	1,175	– 2.1
Non-Farm	27,575	27,400	0.6	30,025	– 8.2
Unemployed	1,875	1,900	– 1.3	700	167.9
Rate	6.1%	6.2%		2.2%	
Riley Co.—Manhattan Area					
Civilian Labor Force	22,275	22,175	0.5	21,900	1.7
Employed	21,375	21,400	– 0.1	21,400	– 0.1
Farm	925	1,100	– 15.9	950	– 2.6
Non-Farm	20,450	20,300	0.7	20,450	0.0
Unemployed	900	775	16.1	500	80.0
Rate	4.0%	3.5%		2.3%	
Saline Co.—Salina Area					
Civilian Labor Force	26,150	26,300	– 0.6	26,100	0.2
Employed	24,925	25,100	– 0.7	25,425	– 2.0
Farm	600	750	– 20.0	625	– 4.0
Non-Farm	24,325	24,350	– 0.1	24,800	– 1.9
Unemployed	1,225	1,200	2.1	675	81.5
Rate	4.7%	4.6%		2.6%	

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

TABLE IV
RETAIL SALES SUBJECT TO SALES TAX BY BUSINESS CLASSIFICATION
(not available)

TABLE V
RETAIL SALES SUBJECT TO SALES TAX BY COUNTY
(not available)

TABLE VI
PRICES RECEIVED BY KANSAS FARMERS
(dollars)

Items	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change	Annual Avg. 1979
Prices Received by Farmers						
Field Crops						
Wheat (bu.)	4.26	4.14	2.9	3.93	8.4	3.49
Corn (bu.)	3.41	3.27	4.3	2.47	38.1	2.48
Sorghum (cwt.)	5.54	5.27	5.1	3.89	42.4	3.75
Hay (ton)	71.50	70.50	1.4	49.50	44.4	50.17
Soybeans (bu.)	8.31	8.00	3.9	5.86	41.8	6.72
Livestock & Products						
Beef Cattle (cwt.)	61.80	63.00	– 1.9	68.30	– 9.5	67.82
Calves (cwt.)	73.20	75.80	– 3.4	88.80	– 17.6	87.14
Hogs (cwt.)	44.80	46.30	– 3.2	34.30	30.6	41.83
Lambs (cwt.)	61.00	66.10	– 7.7	62.00	– 1.6	66.18
Sheep (cwt.)	16.40	14.70	11.6	34.00	– 51.8	21.15
Milk (cwt.)	14.30	13.70	4.4	12.90	10.9	12.24
Prices Paid by Farmers						
Soybean Meal (cwt.)	15.50	14.50	6.9	12.00	29.2	12.33
Bran (cwt.)	8.60	8.30	3.6	8.10	6.2	7.55
Beef Conc. (cwt.)	11.50	11.00	4.5	10.00	15.0	9.61
16% Dairy Feed (ton)	194.00	191.00	1.6	160.00	21.3	154.50
Hog Conc. (cwt.)	17.00	16.20	4.9	14.00	21.4	13.83
Laying Feed (ton)	235.00	225.00	4.4	183.00	28.4	180.75

Source: Kansas Crop and Livestock Reporting Service
Kansas State Board of Agriculture

U.S. Department of Agriculture

TABLE VII
COMMERCIAL BANKING ACTIVITY FOR ALL BANKS

(millions of dollars)

	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change
Kansas—Statewide					
Loans	8,187	8,046	1.8	8,180	0.1
Demand Deposits	4,808	4,678	2.8	4,528	6.2
Time & Saving Deposits	9,390	9,324	0.7	8,573	9.5
Loan-to-Deposit Ratio	57.7%	57.5%		62.4%	
Kansas City (Wyandotte)					
Loans	512	507	1.0	566	– 9.5
Demand Deposits	291	297	– 2.0	267	9.0
Time & Saving Deposits	589	580	1.6	593	– 0.7
Loan-to-Deposit Ratio	58.2%	57.8%		65.8%	
Topeka (Shawnee)					
Loans	487	488	– 0.2	513	– 5.1
Demand Deposits	323	312	3.5	343	– 5.8
Time & Saving Deposits	450	480	– 6.3	571	– 21.2
Loan-to-Deposit Ratio	63.0%	61.6%		56.1%	
Wichita (Sedgwick)					
Loans	1,234	1,210	2.0	1,220	1.1
Demand Deposits	1,012	972	4.1	893	13.3
Time & Saving Deposits	1,246	1,242	0.3	1,096	13.7
Loan-to-Deposit Ratio	57.4%	54.7%		61.3%	

Source: Research Department
Federal Reserve Bank of Kansas City

Institute for Economic and Business Research

TABLE VII-I
COMMERCIAL BANKING ACTIVITY FOR MEMBER BANKS

(millions of dollars)

	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change
Kansas—Statewide					
Loans	3,593	3,531	1.8	3,597	– 0.1
Demand Deposits	2,149	2,091	2.8	2,024	6.2
Time & Saving Deposits	3,971	3,943	0.7	3,628	9.5
Loan-to-Deposit Ratio	58.7%	58.5%		63.6%	
Kansas City (Wyandotte)					
Loans	200	198	1.0	221	– 9.5
Demand Deposits	115	117	– 1.7	108	6.5
Time & Saving Deposits	207	204	1.5	208	– 0.5
Loan-to-Deposit Ratio	62.1%	61.7%		69.9%	
Topeka (Shawnee)					
Loans	257	258	– 0.4	271	– 5.2
Demand Deposits	185	179	3.4	196	– 5.6
Time & Saving Deposits	230	246	– 6.5	295	– 22.0
Loan-to-Deposit Ratio	61.9%	60.7%		55.2%	
Wichita (Sedgwick)					
Loans	699	685	2.0	691	1.2
Demand Deposits	552	531	4.0	487	13.3
Time & Saving Deposits	604	602	0.3	531	13.7
Loan-to-Deposit Ratio	60.5%	60.5%		67.9%	

Source: Research Department
Federal Reserve Bank of Kansas City
Institute For Economic and Business Research

TABLE VII
SAVINGS AND LOAN ACTIVITY

(thousands of dollars)

	Nov. 1980	Oct. 1980	% change	Nov. 1979	% change
Net New Savings	29,900	21,500	39.1	5,400	453.7
Mortgage Loans Made	82,400	118,900	– 30.7	78,100	5.5

Source: Federal Home Loan Bank of Topeka

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KANSAS BUSINESS REVIEW

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Mineral Shortages in the 80s: Going the Way of the Buffalo?

Rex Buchanan
William W. Hambleton

But the decade ahead may hold a problem so severe that it makes the energy crisis look like a cakewalk: shortages of strategic nonfuel minerals.

As the 1970s passed, so did the notion that natural resources are infinite. Most visibly, the past decade forced America to come to grips with the gnawing notion of limited supplies of oil and natural gas, so that Americans have begun to recognize the necessity of conserving energy while encouraging its production. Today the nation is beginning to move towards solutions to some of its energy problems.

But the decade ahead may hold a problem so severe that it makes the energy crisis look like a cakewalk: shortages of strategic nonfuel minerals. There is now a slight but growing recognition that the United States is dependent upon other countries for a variety of minerals, some industrially essential and others more exotic. In some aspects, this shortage is the result of a mineral-hungry nation banging up against the limits of finite resources. Many of the most accessible and richest deposits in this nation have been mined, so that America now faces increasing mineral prices and the possibility of shortages. Yet the problem is not so simple. Some deposits have not been found and developed because of an assortment of factors that serve to discourage mineral exploration.

The result is a distressing reliance on foreign supplies. Many countries supplying strategic minerals are politically unstable, and there looms the new-found possibility that the minerals export market may be manipulated in much the same fashion that OPEC has controlled oil prices and supplies. Unlike the oil situation, however, the United States has little or no domestic production of many important minerals. Stockpiling strategic minerals is only a short-term solution, and in a number of cases no known alternatives or substitutes are available. In short, the United States depends on a willing world as it scrambles for its mineral fix.

The Extent of the Problem

To begin, it is necessary to comprehend the extent of the problem. Currently, the U.S. imports more than 50 percent of 20 major metals used throughout industry; those minerals include zinc, tin, and nickel. Probably the most ominous case of foreign reliance is in chromium and platinum-group metals for which the United States depends almost entirely on foreign sources, particularly the Soviet Union and South Africa. A disruption in the supply of chromium—used throughout construction and in stainless steel manufacture—is most serious because the U.S. has developed virtually no chromium production of its own.

There are other examples:

Cobalt: 97 percent of the cobalt used in the U.S. comes from outside this country, mostly from Zaire and Zambia. Cobalt is used widely in aircraft manufacture.

Manganese: The U.S. imports 98 percent of its manganese, primarily from South Africa and Gabon. The mineral's chief use is in steel manufacture and various chemical processes.

Titanium: The U.S. imports large amounts of titanium sponge from the USSR; titanium is used extensively in aircraft manufacture, and there is no known substitute.

The situation is troubling, and it is getting worse. According to a recent report by the General Accounting Office, zinc processing facilities in this country have decreased by almost half in the past several years, while zinc imports have climbed by 89 percent. Imports of copper have increased during the past decade from six percent to over 19 percent of U.S. consumption. Imports of aluminum are expected to double by the year 2000.

Moreover, problems with U.S. production are reflected not only in increased importation, but in dramatically rising prices for minerals. For example, after the Soviet Union stopped signing new contracts to export titanium sponge, the price on the European market jumped from $3.98 per pound last March to $25.

Many countries supplying strategic minerals are politically unstable, and there looms the new-found possibility that the minerals export market may be manipulated in much the same fashion that OPEC has controlled oil prices and supplies.

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Geological Survey Explores Strategic Mineral Resources in Kansas

The Kansas Geological Survey has long supported studies of deeply buried basement rocks in Kansas. These studies, based largely on well cuttings, have involved definition of Precambrian igneous, metamorphic, and sedimentary terranes and have led to the establishment of a tentative chronology for formation of these units.

Geophysical research—involving aeromagnetic, gravity, heat-flow, and seismicity studies—have reinforced our knowledge of the sub-surface of Kansas. The Nuclear Regulatory Commission has supported tectonics and seismicity studies over a four-year period. The Department of Energy (DOE) is supporting geothermal studies over a two-year period and plans to continue support of these studies for another two years. Although these studies are related to energy matters, ore deposits represent the end product of the upwelling of geothermal fluids, probably along basement faults. It is anticipated that these studies can detect "fossil geothermal areas" and that seismology, gravity, and aeromagnetic studies will further define areas of structural anomalies.

The Kansas Geological Survey's geochemical studies of water and its participation in the National Uranium Resource Evaluation (NURE) program, with support from DOE, should provide important findings on the habitat of ore minerals. Waters that reach the surface often carry chemical constituents that have been leached from ore deposits. The NURE program is interested only in uranium and daughter products. Other analytical results probably will languish in files of the DOE unless analyzed by the Kansas Geological Survey.

The Survey has developed automated well-log analysis systems and has undertaken studies of important sedimentary units that typically bear

The result of higher prices and growing dependence on foreign minerals has been threefold. First, the U.S. is increasingly vulnerable to supply disruption. While market manipulation a la OPEC would be difficult for most foreign minerals producers, there remains the threat of political instability in exporting countries, along with supply disruption resulting from natural disasters—such as earthquakes and floods—and cutoffs of supplies because of international political squabbles. Second, the lack of available domestic minerals has cost a number of jobs in the minerals industry. And third, the importation of large amounts of increasingly costly minerals has led to growing pressure on the U.S. balance-of-payments situation, hardly a welcome development during a period of huge oil imports.

The Source of the Problem

American mineral production has failed to keep pace with demand for a number of reasons that are complex and intertwined. The shortfall has much to do with the drop in production that is inevitable in finite resources. But there are other reasons. Again according to the General Accounting Office, there is a lack of new investment capital in the industry, so that American producers have failed to keep up with the increasing productivity of foreign sources. There is also more concern over energy prices and availability, and the role that foreign governments are taking in aiding their own mineral producers is making competition more difficult.

Then there is the role of the federal government, a posture that many producers believe impinges upon production rather than aiding it. Federal agencies currently control about 760 million acres in the U.S., about one-third of the land area. In much of this land there are a variety of restrictions on exploration and development. (Arizona, for instance, is estimated to contain 65 percent of U.S. copper reserves, yet 70 percent of the state is federally controlled land.) The impact of such restrictions is debatable, but the fact remains that the development of mineral production requires vast lead times, and the results of restrictions now may not be known until well down the road. In addition, government regulations aimed toward environmental protection have spurred development costs. While there is no disputing the desirability of protecting the environment, the nation must be aware of the increased costs incurred—and the long-term restriction on domestic production—that result from such measures.

Responses to the Problem

There are a number of possible responses to the problem of increasing dependence on foreign minerals, many of them involving a rethinking of federal activities in the minerals production arena. Thus far, however, the federal establishment seems oblivious to many problems of mineral production. Other obvious reactions are conservation, increased emphasis on recycling, and more active research on substitutes.

Another possible measure is a renewed search for minerals in previously explored areas. One of those areas is the midcontinent region between the Ozark Uplift in Missouri and the Rocky Mountain Front in Colorado. This area remains largely unexplored for metallic minerals, mostly because exploration has concentrated on finding oil and gas and because surface expression of metallic minerals is subtle or seemingly absent.

At present, the existence of significant undiscovered mineral deposits in Kansas is highly conjectural. This is because so little information is available on the Precambrian basement rocks, those ancient and deeply buried formations that are rarely penetrated by oil or gas drilling. In addition, the younger sedimentary rock layers above the Precambrian have been examined almost exclusively for oil and gas.

Still, there is evidence that the region is a potential target for exploration: the occurrence of metallic minerals in well cuttings; past mining in the Tri-State lead and zinc district of Kansas, Missouri, and Oklahoma; dispersed sedimentary copper deposits in Oklahoma and Kansas; and identified favorable structures and host rocks in the subsurface in a broad belt extending from Minnesota through

oil and gas. These studies can be extended to the search for ore deposits.

The Survey has long been a leader in research activities relating to assessment of mineral-resource potential in areas of sparse data. Spatial analysis, using statistical and probabilistic approaches, has been prominent. The regional-value concept, articulated best by J.C. Griffiths, was developed in the Kansas Geological Survey. Other approaches involve deposit modeling, using analysis of known deposits in similar environments.

Despite the thousands of oil and gas wells drilled in Kansas, the tectonic framework of Kansas is poorly understood. A key to better understanding of this tectonic framework may be found in deeply buried basement rocks. Evidence is growing that the Kansas basement exhibits a rich diversity of rock type and structure and has been tectonically active from the Precambrian age to the present. Intensive study of rock cuttings and cores; well logs; aeromagnetic, seismic, and gravity data; and structure and stratigraphy of overlying sedimentary units by the Kansas Geological Survey and others is leading to new insights about the history of the Kansas basement complex and its control of subsequent geologic events.

Geologist John Harbaugh recently completed an analysis and comparison of historical changes in oil and gas field sizes in Kansas, Wyoming, and California. This study confirmed that populations of oil and gas fields tend to exhibit a lognormal distribution, that large oil and gas fields tend to be found early in the history of a region, and that the size of fields tends to diminish progressively as exploration proceeds. He segregated presently known fields into groups representing the first 20 percent to be discovered, the second 20 percent to be discovered, and so on, and then forecast the character of the next 20 percent *to be discovered*. The forecast for new-field discoveries in Kansas is rather pessimistic. If 598 new fields are discovered—the next 20 percent—they probably will contribute only 2 or 3 percent more oil, or approximately 55

In Kansas, a well-coordinated effort offers the opportunity to contribute to the solution of a national problem.

William W. Hambleton has been director of the Kansas Geological Survey since 1970. Rex Buchanan is director of information at the Survey. This issue's article expands upon a study that appeared in Volume 2, Number 3 of the Kansas Geological Survey's *The Journal*.

Kansas to Oklahoma. In addition, new techniques in solution mining open the prospect for deep mining of metallic deposits in an environmentally acceptable manner.

One key to a renewed search for minerals is the realization that we are hunting an increasingly scarce commodity. An old frontier axiom advises that you "shoot buffalo where the buffalo are." This philosophy has also prevailed in the search for minerals. A wiser philosophy, when either buffalo or minerals are scarce, is to first study the habitat of the buffalo or minerals, and then attempt to predict where the prize might be. **As part of this new effort at finding metallic minerals, the Kansas Geological Survey has adopted such a strategy in a major program to determine the habitat of minerals in Kansas.** This program, already underway, uses geophysical studies—including aeromagnetics, gravity, heat-flow measurements, and seismicity—along with geochemical studies and spatial analysis, to learn about the habitat of Kansas minerals. The program's aim is to determine the chances that minerals might be present in economically important quantities in the Kansas subsurface.

This search revolves around economic concentrations of metallic minerals, called ore deposits, that are the result of geologic processes that cause widely dispersed chemical constituents in the earth's crust to accumulate in certain habitats. Fundamentally, the process is one of mobilization, transport, and fixation of these chemical constituents within critical temperature and pressure ranges. Also necessary are appropriate geologic settings that permit either precipitation of minerals from fluids or fixation by chemical reactions with the host rock. By studying ore deposits near the surface, geologists already know the general conditions required for accumulation of specific minerals. Some minerals, such as chromite, occur in high-temperature regimes of certain igneous rocks. Other minerals—such as galena (the source of lead ore) and sphalerite (zinc ore)—occur in lower temperature regimes in sedimentary rocks where ore-bearing fluids have reacted with the host rock. Thus, mineral habitats can be catalogued. In Kansas, and in most of the midcontinent, these habitats are usually hidden and must be explored by a number of remote sensing methods and by applying search theory.

In Kansas, a well-coordinated effort offers the opportunity to contribute to the solution of a national problem. But it can be only one part of the effort. Attitudes must also change. No longer are we dealing with unlimited resources, but resources—like the buffalo of years ago—that are growing increasingly scarce.

million barrels. One should note that this prediction is based upon cumulative production of oil through the end of 1978 for all fields discovered to the end of 1973, excludes gas, does not include estimates of remaining reserves because the figures are not available, does not include enhanced recovery potential, excludes increases in oil and gas production that may result from extension of known fields, and excludes provinces that have been relatively explored.

On a more positive note, a recent paper noted, "A large portion of the future reserves of the world will be found in subtle traps, and many of them will be discovered in mature producing basins." The Kansas Geological Survey strongly shares this view.

As an illustration, many have written off the Salina and Forest City basins as barren of additional production. However, the Salina Basin of 9,100 square miles has a dry-hole density of only one well per 25 square miles. The Nemaha Uplift and the Forest City Basin, with an area of 7,800 square miles, have a dry-hole density of only one well per 11 square miles. This is scarcely well-explored territory. Granted, exploration in the Salina and Forest City basins has been discouraging. Since the 1920s and through the 1950s, a few significant oil discoveries were made using techniques such as surface geology, core drilling, and early vintage seismology. Since then, success has contiued to be very limited even with more sophisticated seismic surveys and drilling and completion technology. The producing areas in these basins are substantially less than in adjacent basins and platforms to the south and southeast.

Nevertheless, source rocks are available in the Chattanooga and Cherokee shales. Studies of organic macerals by reflectance technique indicate a level of maturation sufficient to generate oil and gas. Thus, potential producing zones are available.

The Kansas Economy

General Business

The national economy in December showed encouraging as well as discouraging signs, leaving Americans uncertain as to the economic outlook for 1981. New factory orders rose 1.9 percent in December to a seasonally adjusted $161.81 billion for a sixth consecutive monthly increase after June's recession-caused low of $138.58 billion. Orders for durable goods increased 1.8 percent after November's 0.4 percent rise, mostly in the defense sector. Orders in December of nondefense capital goods fell 1.0 percent; non-durable goods rose 2.1 percent after rising 0.5 percent in November.

For the year, new factory orders increased 4.6 percent as the value of new orders rose to $1.811 trillion after 1979's volume of $1.732 trillion. Adjusting these figures for inflation, however, results in the 1980 figure being $.02 trillion ($20 billion) behind the 1979 figure in real terms. Yet, the 1980 annual figure came at the end of a fourth quarter that showed a strong, 5.0 percent growth rate. This year's first quarter, when the figures are in, will likely show that their growth rate did not continue into the new year. Consumers, meanwhile, felt the pinch as the December inflation rate was in the range of a 10 percent to 12 percent annual rate. Energy-cost increases of 20-25 percent accounted for much of the rise, and wage and benefits were estimated to have risen at a 10 percent annual rate. The Consumer Price Index for the year, by comparison, rose 12.4 percent. Consumers apparently cut back their spending as a result. Retail sales in December were off 1.3 percent from November. Consumer thrift also was reflected in December's consumer borrowing, which rose an adjusted $1.62 billion, a 6 percent annual rate. The increase put outstanding consumer debt for the year at $313.44 billion, up only 0.5 percent from 1979 for the smallest annual increase since 1958, when consumer credit fell 0.5 percent.

Automakers reported January 1981 sales up slightly from December, but down markedly from 1980's unusually high January auto sales level.

Interest rates movement offered the chief good news for the economy in December and January. The prime rate, banks short-term lending rate for their best customers, fell steadily from a high of 21.5 percent. As of mid-February, many banks had reduced their prime to 19 percent. The rate on federal funds that reserve banks lend one another likewise has been falling from the record 20.06 percent average of the week ended January 7 to around 17-18 percent the first week of February.

Also encouraging for the national economy were unemployment rate figures for January. The rate held steady at an adjusted 7.4 percent for January and December, down from 7.5 percent in November and 7.6 percent in October.

The Kansas, economy, meanwhile, showed similarly mixed results. For example, while the average work week and weekly earnings rose in December, initial claims for unemployment insurance also were rising.

The average work week rose an encouraging 2.4 percent to 42 hours from the November 41-hour level. The work week, which was 1.5 hours longer than the average for the preceding six months, may have been a product of a surge in some industries during the holiday season. If so, the increase, when coupled with the 57.5 percent rise in unemployment claims, offered little encouragement for 1981. New incorporations rose dramatically in the in-state, for profit sector. Those December incorporations rose 99.7 percent from November, and out of-state incorporations showed a strong, 27.5 percent rise.

Employment

As might be expected from the work week and unemployment claims data, statewide employment rose only slightly in December. The 956,800 all-industry employment was only 0.1 percent higher than in November and 1.2 percent below employment in December 1980.

As compared with November, most sectors showed modest employment gains in December. Showing the greatest percentage increase was the chemicals industry, up 4.8 percent to the 8,700 level. Continuing to suffer from interest rate's depressing effects on the construction industry was contract construction employment, off 6.7 percent from November and 17.5 percent from December 1979. As compared with last year, the greatest increase in employment levels was in oil and gas extraction, up 22.3 percent, and the greatest decline was in stone, clay, and glass manufacturing, down 27.9 percent.

The labor force, meanwhile, declined in December. The civilian labor force statewide of 1,209,500 was 0.4 percent lower than in November and 0.5 percent lower than in December 1979.

The decline in the size of the labor force was not balanced throughout the work force, as the unemployment rate rose to 4.0 percent from November's 3.9 percent rate and December 1979's 3.2 percent rate. Pushing up the unemployment rate was the 0.2 percent

monthly rise in the number of unemployed workers. The biggest loss in employment was among farm workers, of whom there were 7.9 percent fewer employed in December as compared with November. The drop was not too unusual, however, as the decline was only 2.1 percent from the December 1979 level.

Reno County-Hutchinson, again topped the state in area wide unemployment, with its 5.7 percent rate. That rate, however, was a substantial improvement from November's 6.1 percent rate, and the improvement came even as the size of the area labor force increased 1.2 percent. Also registering higher-than-state-average unemployment rates were the Lawrence SMSA (at 4.3 percent unemployment), the Kansas portion of the Kansas City SMSA (4.5 percent), Topeka (5.2 percent), Crawford County-Pittsburgh (5.3 percent), Lyon County-Emporia (4.3 percent), Riley County-Manhattan (4.3 percent), and Saline County-Salina (4.3 percent). The Barton County-Great Bend area improved its already good unemployment rate to 1.9 percent from November's 2.0 percent, despite a 0.7 percent increase in the labor force.

Retail Sales

Retail sales tax collections for the three months ending in November showed generally declining revenues as compared with the previous three-month average. Sales were up, however, compared with year-ago levels. It should be noted that these figures are unadjusted for variations in the number of work days in a quarter. In this case, the preceding quarter did have fewer working days, which probably accounts for most of the decline from the previous period.

Farm Prices

A month of generally falling prices closed out 1980 in the farm sector, but the value of Kansas crop production (excluding sugar beets) for the crop year totaled a record $3.08 billion, up less than 1.0 percent from 1979, according to the Kansas Crop and Livestock Reporting Service. Leading the way was wheat, whose value of $1.64 billion was 7.0 percent higher than 1979 value and almost double the 1978 value.

Total livestock inventories totaled $2.75 billion at the end of 1980 for a 7.0 percent decline from 1979. The reduced valuation followed a decline in prices, as cattle per head on January 1, 1981, was $405 as compared with $455 a year earlier. Cattle and calf numbers, however, as of January 1, 1981, were up 1.0 percent from the year previous. The number of calves born increased 10 percent in 1980 for a total of 1.85 million head over 1979. These figures compare with a U.S. calf production increase of 6.0 percent from 1979.

Commercial red meat production for December 1980 rose 13 percent from November to cap 1980's 6.0 percent annual increase in red meat production.

December's farm-product prices reflect these state aggregates of production. Except for hay, which has been stabilizing after its year of large price increases, field crop prices in December declined slightly from November. After hay's 58 percent increase from a year earlier, sorghum led gainers, showing a 41.8 percent annual increase despite its 3.2 percent drop since November. Meat showed the smallest increase over the previous year, only 5.8 percent, but this was despite a 5.9 percent decline from November. Most livestock prices fell in December as compared with November and with December 1979. They showed the lone monthly gain, of 22.0 percent, but remained 6.1 percent behind December 1979 levels.

Farmers' cost increases didn't abate in December. Soybean meal at $15.50 a hundredweight, held steady since November, as did prices for hog concentrate and laying feed. Bran, however, jumped 9.3 percent to $9.40 a hundredweight for the month. Even with some of the costs holding steady from November, they all showed increases of about 20 percent over 1979 levels.

Financial Activity

Deposits statewide, for all banks and for Federal Reserve member banks, fell from November levels. Statewide (all banks), demand deposits fell from $4.8 billion in November to $4.3 billion in December for a 10.3 percent decline, and time and savings deposits fell from $9.4 billion to $8.4 billion for 10.9 percent decline. These declines in deposits, coupled with a 2.1 percent increase in loans, from $82. billion to $8,358 million, resulted in a jump in the loan-to-deposit ratio.

Such a drop in December deposits is not uncommon, as consumers increase their spending during the holiday season. The December 1980's level, however, was below that of December 1979. Demand deposits were off 8.5 percent as compared with the previous year.

Kansas City, Kansas member banks suffered the greatest monthly loss in deposits, as demand deposits declined 20.0 percent from November and savings deposits fell 19.3 percent. In comparing with year-ago levels, Topeka member banks had a 22.0 percent decline in demand deposits and a 25.1 percent decline in savings deposits.

Net new savings suffered a dramatic decline of 41.8 percent from November, probably as a result of withdrawals for holiday purchases. But the net new savings level of $17.4 million looked good as compared with December 1979, when withdrawals exceeded new deposits by $13.8 million. The savings and loans' rebound from their depressed performance in December 1979 also was evident in their mortgage loans made. The December 1980 level of $79.1 million was 53.9 percent higher than December 1979's $51.4 million level despite 1980's soaring interest levels.

TABLE I
GENERAL BUSINESS INDICATORS

	Dec. 1980	Nov. 1980	% change	Avg. Prior 6 mos.	Annual Avg. 1979
Manufacturing					
Average Work Week (hrs.)	42.00	41.00	2.4	40.50	40.70
Average Weekly Earnings (dollars)	321.72	315.29	2.0	302.54	240.99
Initial Claims for					
Unemployment Insurance	13,944.00	8,856.00	57.5	12,651.00	8,082.00
New Incorporations					
In-State For Profit	649.00	325.00	99.7	398.00	336.00
Out-of-State For Profit	130.00	102.00	27.5	100.00	88.00

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

Kansas Secretary of State

TABLE II
NON-FARM WAGE AND SALARY EMPLOYMENT BY PLACE OF WORK

(thousands)

Industry	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change
All Industries	956.8	956.3	0.1	968.1	– 1.2
Manufacturing	185.9	184.8	0.6	203.5	– 8.6
Durable Goods	119.6	119.2	0.3	135.6	– 11.8
Stone, Clay, Glass	7.5	7.6	– 1.3	10.4	– 27.9
Primary Metals	3.7	3.6	2.8	3.9	– 5.1
Fabricated Metal Products	12.1	12.2	– 0.8	13.7	– 11.7
Machinery (incl. elec.)	33.7	33.5	0.6	34.5	– 2.3
Transportation Equipment	50.5	50.3	0.4	60.0	– 15.8
Aircraft & Parts	43.2	43.1	0.2	49.6	– 12.9
Other Durable Goods	12.1	12.0	0.8	13.2	– 8.3
Nondurable Goods	66.3	65.6	1.1	67.9	– 2.4
Food & Kindred Products	23.2	23.2	0.0	23.9	– 2.9
Meat Products	8.8	8.8	0.0	9.3	– 5.4
Apparel	3.3	3.5	– 5.7	3.4	– 2.9
Printing & Publishing	16.2	15.8	2.5	16.8	– 3.6
Chemicals	8.7	8.3	4.8	8.7	0.0
Petroleum & Coal	5.0	4.9	2.0	4.8	4.2
Other Nondurable	9.9	9.9	0.0	10.3	– 3.9
Mining	15.6	15.6	0.0	13.6	14.7
Oil & Gas Extraction	13.7	13.6	0.7	11.2	22.3
Contract Construction	43.0	46.1	– 6.7	52.1	– 17.5
Trans., Comm., Elec., Gas	64.0	64.0	0.0	67.1	– 4.6
Wholesale Trade	65.4	65.2	0.3	62.4	4.8
Retail Trade	169.0	165.4	2.2	170.9	– 1.1
Finance, Insurance, Real Estate	47.3	46.9	0.9	47.5	– 0.4
Services	173.6	173.9	– 0.2	166.4	4.3
Federal Government	26.6	26.6	0.0	25.7	3.5
State & Local Government	166.4	167.8	– 0.8	158.9	4.7

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

TABLE III
EMPLOYMENT—UNEMPLOYMENT DATA FOR KANSAS, STATE AND AREAS

Area	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change
Kansas—Statewide					
Civilian Labor Force	1,209,500	1,214,700	– 0.4	1,215,700	– 0.5
Employed	1,161,500	1,166,800	– 0.5	1,176,900	– 1.3
Farm	50,400	54,700	– 7.9	51,500	– 2.1
Non-Farm	1,111,100	1,112,100	– 0.1	1,125,400	– 1.3
Unemployed	48,000	47,900	0.2	38,800	23.7
Rate	4.0%	3.9%		3.2%	
Lawrence SMSA					
Civilian Labor Force	34,500	35,600	– 3.1	34,600	– 0.3
Employed	33,900	34,100	– 0.6	33,500	1.2
Farm	600	700	– 14.3	600	0.0
Non-Farm	33,300	33,400	– 0.3	32,900	1.2
Unemployed	1,500	1,500	0.0	1,100	36.4
Rate	4.3%	4.2%		3.2%	
Kansas Portion of Kansas City SMSA					
Civilian Labor Force	269,000	266,600	0.9	273,000	– 1.5
Employed	257,000	254,600	0.9	264,000	– 2.7
Farm	1,100	1,200	– 8.3	1,100	0.0
Non-Farm	255,900	253,400	1.0	262,900	– 2.7
Unemployed	12,000	12,000	0.0	9,000	33.3
Rate	4.5%	4.5%		3.3%	
Topeka SMSA					
Civilian Labor Force	94,300	94,200	0.1	93,400	1.0
Employed	89,400	89,400	0.0	90,000	– 0.7
Farm	1,500	1,600	– 6.3	1,500	0.0
Non-Farm	87,900	87,800	0.1	88,500	– 0.7
Unemployed	4,900	4,800	2.1	3,400	44.1
Rate	5.2%	5.1%		3.6%	
Wichita SMSA					
Civilian Labor Force	225,400	225,300	0.0	226,500	– 0.5
Employed	217,500	216,800	0.3	220,800	– 1.5
Farm	2,000	2,200	– 9.1	2,100	– 4.8
Non-Farm	215,500	214,600	0.4	218,700	– 1.5
Unemployed	7,900	8,500	– 7.1	5,700	38.6
Rate	3.5%	3.8%		2.5%	
Barton Co.—Great Bend Area					
Civilian Labor Force	18,050	17,925	0.7	17,575	2.7
Employed	17,700	17,575	0.7	17,300	2.3
Farm	750	800	– 6.3	775	– 3.2
Non-Farm	16,950	16,775	1.0	16,525	2.6
Unemployed	350	350	0.0	275	27.3
Rate	1.9%	2.0%		1.6%	

TABLE III
EMPLOYMENT—UNEMPLOYMENT DATA FOR KANSAS, STATE AND AREAS (Continued)

Area	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change
Crawford Co.—Pittsburg Area					
Civilian Labor Force	17,050	16,800	1.5	16,525	3.2
Employed	16,150	15,975	1.1	15,975	1.1
Farm	675	725	– 6.9	700	– 3.6
Non-Farm	15,475	15,250	1.5	15,275	1.3
Unemployed	900	825	9.1	550	63.6
Rate	5.3%	4.9%		3.3%	
Lyon Co.—Emporia Area					
Civilian Labor Force	17,825	17,875	– 0.3	17,825	0.0
Employed	17,050	17,100	– 0.3	17,375	– 1.9
Farm	650	725	– 10.3	675	– 3.7
Non-Farm	16,400	16,375	0.2	16,700	– 1.8
Unemployed	775	775	0.0	450	72.2
Rate	4.3%	4.3%		2.5%	
Montgomery Co.—Coffeyville Area					
Civilian Labor Force	21,050	20,825	1.1	20,975	0.4
Employed	20,250	19,975	1.4	20,425	– 0.9
Farm	475	525	– 9.5	500	– 5.0
Non-Farm	19,775	19,450	1.7	19,925	– 0.8
Unemployed	800	850	– 5.9	550	45.5
Rate	3.8%	4.1%		2.6%	
Reno Co.—Hutchinson Area					
Civilian Labor Force	30,975	30,600	1.2	32,250	– 4.0
Employed	29,200	28,725	1.7	31,475	– 7.2
Farm	1,050	1,150	– 8.7	1,075	– 2.3
Non-Farm	28,150	27,575	2.1	30,400	– 7.4
Unemployed	1,775	1,875	– 5.3	775	129.0
Rate	5.7%	6.1%		2.4%	
Riley Co.—Manhattan Area					
Civilian Labor Force	21,575	22,275	– 3.1	21,675	– 0.5
Employed	20,650	21,375	– 3.4	21,125	– 2.2
Farm	850	925	– 8.1	850	0.0
Non-Farm	19,800	20,450	– 3.2	20,275	– 2.3
Unemployed	925	900	2.8	550	68.2
Rate	4.3%	4.0%		2.5%	
Saline Co.—Salina Area					
Civilian Labor Force	26,850	26,150	2.7	25,575	5.0
Employed	25,625	24,925	2.8	24,825	3.2
Farm	550	600	– 8.3	575	– 4.3
Non-Farm	25,075	24,325	3.1	24,250	3.4
Unemployed	1,225	1,225	0.0	750	63.3
Rate	4.6%	4.7%		2.9%	

Source: Research and Analysis Section
Division of Staff Services
Kansas Department of Human Resources

TABLE IV
RETAIL SALES SUBJECT TO SALES TAX
BY BUSINESS CLASSIFICATION

(millions of dollars)

Business Classification	Nov. * 1980	Aug.* 1980	% change	Nov.* 1979	% change
Apparel	26.5	27.2	– 2.6	24.3	9.1
Automotive	186.7	201.1	– 7.2	194.4	– 4.0
Food	237.4	261.6	– 9.3	215.3	10.3
Furniture	41.4	42.5	– 2.6	38.1	8.7
General Merchandise	135.0	154.8	– 12.8	129.9	3.9
Lumber and Building Materials	88.9	90.0	– 1.2	87.1	2.1
Professional and Personal Service	42.9	45.3	– 5.3	36.0	19.2
Public Utilities	47.8	45.6	4.8	46.5	2.8
Unclassified	100.0	113.6	– 12.0	90.3	10.7
Farm and Garden Products	0.9	0.9	0.0	0.8	12.5
Manufacturing and Trading	83.5	88.2	– 5.3	70.6	18.3
Miscellaneous	3.1	3.3	– 6.1	2.3	34.8
Total	994.5	1074.6	– 7.5	936.1	6.2

* Monthly Average for Prior Three Months

Source: Tax Research Section
Kansas Department of Revenue

TABLE V
RETAIL SALES SUBJECT TO SALES TAX BY COUNTY

(thousands of dollars)

County	Sales * Nov. 1980	Sales * Aug. 1980	Change From Aug. 1980 (%)	Sales * Nov. 1979	Change From Nov. 1979 (%)
Allen	4,691	5,217	– 10.0	4,577	2.4
Anderson	2,046	2,512	– 18.5	2,269	– 9.8
Atchison	4,301	4,693	– 8.3	4,513	– 4.7
Barber	2,355	2,815	– 16.3	2,355	– 0.0
Barton	27,278	28,965	– 5.8	21,570	26.5
Bourbon	4,842	5,531	– 12.5	5,048	– 4.1
Brown	3,070	3,611	– 15.0	3,200	– 4.1
Butler	16,434	18,226	– 9.8	14,295	15.0
Chase	727	762	– 4.5	645	12.8
Chautauqua	1,339	1,310	2.2	996	34.4
Cherokee	3,845	4,065	– 5.4	3,850	– 0.1
Cheyenne	1,278	1,544	– 17.2	1,291	– 1.0
Clark	560	658	– 14.8	494	13.5
Clay	2,816	3,073	– 8.4	2,805	0.4
Cloud	4,188	4,741	– 11.7	4,084	2.6
Coffey	2,121	2,315	– 8.4	1,990	6.6
Comanche	620	660	– 6.1	491	26.3
Cowley	13,039	14,911	– 12.6	11,402	14.4
Crawford	12,121	12,865	– 5.8	11,523	5.2
Decatur	1,623	1,773	– 8.5	1,493	8.7
Dickinson	5,413	5,867	– 7.8	5,433	– 0.4
Doniphan	1,880	1,945	– 3.3	2,096	– 10.3
Douglas	22,446	22,951	– 2.2	20,738	8.2
Edwards	1,081	1,102	– 1.9	1,017	6.3
Elk	538	660	– 18.5	571	– 5.7
Ellis	13,294	14,627	– 9.1	11,979	11.0
Ellsworth	1,949	2,098	– 7.1	1,922	1.4
Finney	14,534	17,235	– 15.7	14,054	3.4
Ford	13,724	15,013	– 8.6	13,773	– 0.4
Franklin	5,815	6,869	– 15.3	6,340	– 8.3
Geary	7,816	9,312	– 16.1	7,438	5.1
Gove	1,320	1,454	– 9.3	1,134	16.3
Graham	1,642	1,978	– 17.0	1,529	7.4
Grant	3,550	3,942	– 10.0	3,443	3.1
Gray	1,851	1,604	15.4	1,617	14.5
Greeley	607	754	– 19.5	476	27.4
Greenwood	3,012	3,194	– 5.7	2,641	14.0
Hamilton	664	892	– 25.5	780	– 14.8
Harper	2,772	3,409	– 18.7	2,794	– 0.8
Harvey	8,456	9,775	– 13.5	8,581	– 1.5
Haskell	1,172	1,239	– 5.5	999	17.3
Hodgeman	369	412	– 10.4	385	– 4.1
Jackson	1,909	2,270	– 15.9	2,064	– 7.5
Jefferson	3,400	2,738	24.2	2,984	13.9
Jewell	1,064	972	9.4	748	42.2
Johnson	116,642	128,441	– 9.2	111,181	4.9
Kearny	707	680	4.0	657	7.6
Kingman	2,446	2,854	– 14.3	2,232	9.5
Kiowa	1,223	1,613	– 24.2	1,256	– 2.7
Labette	7,448	7,770	– 4.1	7,287	2.2
Lane	823	898	– 8.4	806	2.1
Leavenworth	11,587	11,909	– 2.7	10,581	9.5
Lincoln	1,156	1,182	– 2.2	1,026	12.6

* Monthly Average for Prior Three Months

TABLE V
RETAIL SALES SUBJECT TO SALES TAX BY COUNTY (Continued)
(thousands of dollars)

County	Sales * Nov. 1980	Sales * Aug. 1980	Change From Aug. 1980 (%)	Sales * Nov. 1979	Change From Nov. 1979 (%)
Linn	1,609	1,653	– 2.6	1,753	– 8.2
Logan	1,700	1,877	– 9.4	1,772	– 4.1
Lyon	12,664	14,251	– 11.1	11,901	6.4
McPherson	9,551	10,424	– 8.4	9,744	– 2.0
Marion	3,309	4,049	– 18.3	3,403	– 2.7
Marshall	3,378	4,012	– 15.8	3,454	– 2.2
Meade	1,376	1,466	– 6.1	1,339	2.8
Miami	5,803	6,117	– 5.1	5,637	2.9
Mitchell	3,479	3,936	– 11.6	3,215	8.2
Montgomery	15,849	16,328	– 2.9	14,419	9.9
Morris	1,304	1,643	– 20.6	1,258	3.7
Morton	1,300	1,717	– 24.3	1,106	17.5
Nemaha	3,152	3,259	– 3.3	3,019	4.4
Neosho	8,352	9,125	– 8.5	7,159	16.7
Ness	2,047	2,338	– 12.4	1,564	30.9
Norton	2,304	2,479	– 7.0	2,104	9.5
Osage	2,796	3,339	– 16.3	3,097	– 9.7
Osborne	1,860	1,856	0.2	1,656	12.3
Ottawa	1,301	1,258	3.4	1,103	17.9
Pawnee	2,796	3,377	– 17.2	2,980	– 6.2
Phillips	2,443	2,518	– 3.0	2,403	1.7
Pottawatomie	4,553	4,825	– 5.6	3,909	16.5
Pratt	4,799	5,943	– 19.3	4,532	5.9
Rawlins	1,093	1,047	4.4	899	21.6
Reno	26,824	30,773	– 12.8	27,417	– 2.2
Republic	2,169	2,345	– 7.5	2,363	– 8.2
Rice	3,199	3,768	– 15.1	2,881	11.0
Riley	13,870	14,936	– 7.1	14,208	– 2.4
Rooks	4,399	4,803	– 8.4	3,178	38.4
Rush	1,508	1,465	3.0	1,320	14.3
Russell	5,570	6,319	– 11.9	4,754	17.2
Saline	25,562	28,317	– 9.7	25,026	2.1
Scott	3,488	2,862	21.9	2,279	53.1
Sedgwick	187,568	202,179	– 7.2	177,683	5.6
Seward	11,264	13,021	– 13.5	10,690	5.4
Shawnee	65,567	73,069	– 10.3	68,357	– 4.1
Sheridan	1,259	1,340	– 6.1	1,077	16.9
Sherman	4,234	4,366	– 3.0	3,897	8.6
Smith	1,807	1,971	– 8.3	1,687	7.1
Stafford	1,578	2,210	– 28.6	1,455	8.5
Stanton	849	792	7.2	605	40.4
Stevens	1,466	1,568	– 6.5	1,514	– 3.2
Sumner	7,059	7,079	– 0.3	5,592	26.2
Thomas	4,462	4,894	– 8.8	4,378	1.9
Trego	1,482	1,621	– 8.6	1,328	11.6
Wabaunsee	933	1,025	– 9.0	1,008	– 7.5
Wallace	678	659	2.9	595	14.0
Washington	1,979	2,066	– 4.2	1,817	8.9
Wichita	1,732	1,815	– 4.6	881	96.5
Wilson	2,432	2,719	– 10.5	2,632	– 7.6
Woodson	899	1,003	– 10.3	1,065	– 15.5
Wyandotte	60,350	60,359	– 0.0	56,968	5.9

Source: Tax Research Section
Kansas Department of Revenue

TABLE VI
PRICES RECEIVED BY KANSAS FARMERS
(dollars)

Items	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change	Annual Avg. 1979
Prices Received by Farmers						
Field Crops						
Wheat (bu.)	4.01	4.26	– 5.9	3.79	5.8	3.49
Corn (bu.)	3.37	3.41	– 1.2	2.50	34.8	2.48
Sorghum (cwt.)	5.36	5.54	– 3.2	3.78	41.8	3.75
Hay (ton)	72.00	71.50	0.7	48.00	50.0	50.17
Soybeans (bu.)	7.04	8.31	– 8.1	5.94	28.6	6.72
Livestock & Products						
Beef Cattle (cwt.)	61.10	61.80	– 1.1	67.40	– 9.3	67.82
Calves (cwt.)	71.20	73.20	– 2.7	86.50	– 17.7	87.14
Hogs (cwt.)	42.80	44.80	– 4.5	37.70	13.5	41.83
Lambs (cwt.)	53.70	61.00	– 12.0	64.50	– 16.7	66.18
Sheep (cwt.)	20.00	16.40	22.0	21.30	– 6.1	21.15
Milk (cwt.)	14.20	14.30	– 0.7	12.80	10.9	12.24
Prices Paid by Farmers						
Soybean Meal (cwt.)	15.50	15.50	0.0	12.50	24.0	12.33
Bran (cwt.)	9.40	8.60	9.3	7.90	19.0	7.55
Beef Conc. (cwt.)	12.00	11.50	4.3	10.00	20.0	9.61
16% Dairy Feed (ton)	200.00	194.00	3.1	163.00	22.7	154.50
Hog Conc. (cwt.)	17.00	17.00	0.0	14.00	21.4	13.83
Laying Feed (ton)	235.00	235.00	0.0	189.00	24.3	180.75

Source: Kansas Crop and Livestock Reporting Service
Kansas State Board of Agriculture

U.S. Department of Agriculture

TABLE VII
COMMERCIAL BANKING ACTIVITY FOR ALL BANKS

(millions of dollars)

	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change
Kansas—Statewide					
Loans	8,358	8,187	2.1	8,190	2.1
Demand Deposits	4,315	4,808	– 10.3	4,716	– 8.5
Time & Saving Deposits	8,370	9,390	– 10.9	8,598	– 2.7
Loan-to-Deposit Ratio	65.9%	57.7%		61.5%	
Kansas City (Wyandotte)					
Loans	527	512	2.9	562	– 6.2
Demand Deposits	233	291	– 19.9	295	– 21.0
Time & Saving Deposits	475	589	– 19.4	603	– 21.2
Loan-to-Deposit Ratio	74.4%	58.2%		62.6%	
Topeka (Shawnee)					
Loans	479	487	– 1.6	505	– 5.1
Demand Deposits	297	323	– 8.0	372	– 20.2
Time & Saving Deposits	391	450	– 13.1	519	– 24.7
Loan-to-Deposit Ratio	69.6%	63.0%		56.7%	
Wichita (Sedgwick)					
Loans	1,266	1,234	2.6	1,208	4.8
Demand Deposits	1,008	1,012	– 0.4	936	7.7
Time & Saving Deposits	1,184	1,246	– 5.0	1,122	5.5
Loan-to-Deposit Ratio	57.8%	54.7%		58.7%	

Source: Research Department
Federal Reserve Bank of Kansas City

Institute for Economic and Business Research

TABLE VII-I
COMMERCIAL BANKING ACTIVITY FOR MEMBER BANKS

(millions of dollars)

	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change
Kansas—Statewide					
Loans	3,668	3,593	2.1	3,601	1.9
Demand Deposits	1,929	2,149	– 10.2	2,121	– 9.1
Time & Saving Deposits	3,543	3,971	– 10.8	3,639	– 2.6
Loan-to-Deposit Ratio	67.0%	58.7%		62.5%	
Kansas City (Wyandotte)					
Loans	206	200	3.0	220	– 6.4
Demand Deposits	92	115	– 20.0	114	– 19.3
Time & Saving Deposits	167	207	– 19.3	213	– 21.6
Loan-to-Deposit Ratio	79.5%	62.1%		67.3%	
Topeka (Shawnee)					
Loans	253	257	– 1.6	266	– 4.9
Demand Deposits	170	185	– 8.1	218	– 22.0
Time & Saving Deposits	200	230	– 13.0	267	– 25.1
Loan-to-Deposit Ratio	63.4%	61.9%		54.8%	
Wichita (Sedgwick)					
Loans	717	699	2.6	686	4.5
Demand Deposits	550	552	– 0.4	516	6.6
Time & Saving Deposits	574	604	– 5.0	544	5.5
Loan-to-Deposit Ratio	63.8%	60.5%		64.7%	

Source: Research Department
Federal Reserve Bank of Kansas City

Institute For Economic and Business Research

TABLE VIII
SAVINGS AND LOAN ACTIVITY

(thousands of dollars)

	Dec. 1980	Nov. 1980	% change	Dec. 1979	% change
Net New Savings	17,400	29,900	– 41.8	– 13,800	– 26.1
Mortgage Loans Made	79,100	82,400	– 4.0	51,400	53.9

Source: Federal Home Loan Bank of Topeka

TABLE IX
CONSUMER PRICES

Kansas City

Consumer Price Index, December, 1980

	All Urban Consumers (CPI-U)			Wage Earners and Clerical Workers (CPI-W)		
		Percent change from			Percent change from	
	INDEX 1967 = 100	2 months ago	1 year ago	INDEX 1967 = 100	2 months ago	1 year ago
ALL ITEMS	259.1	1.7	10.9	257.2	1.7	10.7
Food and Beverages	264.4	1.7	10.1	260.8	1.5	11.2
Food	271.4	1.8	10.4	267.8	1.6	11.4
Food at home	265.9	1.3	11.6	263.5	1.3	12.8
Cereals & bakery products	273.4	0.1	13.0	264.9	0.0	12.0
Meats, poultry, fish & eggs	249.5	2.1	9.4	250.0	1.3	9.6
Dairy products	243.4	2.2	8.8	244.2	2.3	9.8
Fruits and vegetables	263.5	-1.5	11.0	254.0	-0.4	13.9
Other foods at home	312.4	1.7	15.0	311.6	2.2	17.5
Food away from home	289.5	3.0	8.0	283.0	2.2	8.6
Alcoholic beverages	196.9	1.0	5.8	194.1	0.3	7.9
Housing	276.0	1.7	10.2	272.6	1.7	9.7
Shelter	306.9	2.2	9.8	303.2	2.3	9.0
Rent (residential)	164.6	-0.1	7.2	164.6	-0.1	7.2
Other rental costs	233.1	-5.8	1.4	225.0	-6.6	1.0
Homeownership	358.6	2.7	10.3	353.5	2.7	9.3
Fuel & other utilities	257.1	0.9	12.5	259.3	0.9	12.7
Fuels	339.4	1.4	16.2	341.7	1.5	16.3
Fuel oil, coal, & bottled gas*	176.4	5.3	19.8	185.5	4.5	20.4
Gas (piped) & electricity	336.8	1.2	16.0	336.6	1.2	15.9
Household furnishings & oper	205.7	-0.1	9.9	201.8	0.1	10.1
Apparel & Upkeep	192.5	0.1	9.7	182.0	-1.0	5.0
Men's & boys' apparel	197.5	-3.0	2.1	202.4	-0.6	4.3
Women's & girls' apparel	177.1	-0.5	16.5	145.5	-3.5	0.3
Footwear	204.2	5.1	4.2	209.5	0.0	4.8
Transportation	254.4	2.2	12.9	255.5	2.1	12.6
Private transportation	256.2	2.3	12.7	257.6	2.1	12.4
Public transportation	217.3	1.5	19.7	209.8	1.4	17.3
Medical Care	270.7	0.6	10.4	274.9	0.6	11.3
Medical care services	293.3	0.3	10.8	298.1	0.4	11.6
Entertainment	204.0	2.8	15.8	211.4	3.0	15.3
Other Goods & Services	228.4	1.7	9.8	232.9	1.5	10.7
ALL ITEMS (1957-59 = 100)	307.6			305.3		

* June 1978 = 100